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ANNUAL REPORT
OF THE
DEPARTMENT OF INSTITUTIONS



TO THE
GOVERNOR OF MONTANA
HONORABLE FORREST H. ANDERSON
FOR THE
FISCAL YEAR ENDED
JUNE 30, 1972

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Department of Institutions

GOVERNOR
FORREST H. ANDERSON

DIRECTOR
EDWIN G. KELLNER



449 2546

Helena, 59601

October 31, 1972

BOARD MEMBERS

RICHARD J. BOTTOMLY, GREAT FALLS
JOHN M. CROSS, GLENDALE
FLOYD C. HAMILTON, LIVINGSTON
WILLIS M. McKEON, MALTA
JOHN W. STRIZICH, M.D., HELENA

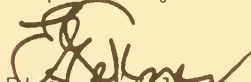
The Honorable Forrest H. Anderson
Governor of the State of Montana
State Capitol Building
Helena, Montana

Dear Governor Anderson:

Pursuant to the requirement of Section 82-4002, R.C.M. 1947, there is herewith transmitted the report of the Department of Institutions for the fiscal year ended June 30, 1972.

Major accomplishments and other pertinent data are listed herein. Your past support of this Department and its objectives to serve the less fortunate and rehabilitate offenders has been most appreciated.

Respectfully submitted,


Edwin G. Kellner,
Director

EGK/mf



TABLE OF CONTENTS

| | |
|----------------------------------|----|
| PRINCIPAL OFFICES AND OFFICERS.. | 1 |
| LEGAL REFERENCES | 3 |
| PRINCIPAL GOALS | 4 |
| MAJOR ACCOMPLISHMENTS | 5 |
| PROGRAM DESCRIPTIONS: | |
| BOARD OF INSTITUTIONS..... | 7 |
| CENTRALIZED SERVICES | |
| DIVISION | 9 |
| AFTERCARE DIVISION | 13 |
| REIMBURSEMENT | 15 |
| PROGRAM COST: | |
| SUMMARY..... | 17 |
| DETAIL..... | 18 |

PRINCIPAL OFFICES AND OFFICERS

STATE BOARD OF INSTITUTIONS

| <u>OFFICER</u> | <u>ADDRESS</u> |
|--|--|
| Chairman: Willis M. McKeon Appointed 2-28-69 Term Expires.. 1-1-73 | 38 So. First East Malta, Montana |
| Vice Chairman: John W. Strizich, M.D. Appointed 2-28-69 Term Expires.. 7-1-73 | 815 Stuart Helena, Montana |
| Member: John M. Cross Appointed 7-1-70 Term Expires.. 7-1-75 | 118 So. Kendrick Glendive, Montana |
| Member: Richard V. Bottomly Appointed 7-2-69 Term Expires.. 7-1-74 | 320 First Ave. No. Great Falls, Montana |
| Member: Floyd C. Hamilton Appointed 7-1-71 Term Expires.. 7-1-76 | East of Livingston Livingston, Montana |



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PRINCIPAL OFFICES AND OFFICERS

DEPARTMENT OF INSTITUTIONS (CENTRAL OFFICE)

PRINCIPAL ADMINISTRATIVE OFFICERS

| | |
|--|---------------------|
| Director: | Edwin G. Kellner |
| Administrator, Centralized Services Division: | Thomas L. Gooch |
| Administrator, Aftercare Division: | John G. Thomas |
| Administrator, Reimbursement Division: | Geraldine C. Strong |

PRINCIPAL OFFICE

1236 East 6th Avenue
Helena, Montana

LEGAL REFERENCES

BOARD OF INSTITUTIONS

Title 82A, 801 through 807

CENTRAL OFFICE OPERATIONS

Title 80, Chapter 16, Revised Codes of Montana, 1947
Title 82A, 801 through 807

REIMBURSEMENT

Title 80, Chapter 16, Revised Codes of Montana, 1947
Title 82A, 801 through 807

AFTERCARE

Title 80, Chapter 14, Revised Codes of Montana, 1947
Title 82A, 801 through 807

PRINCIPAL GOALS

Note: Under Executive Reorganization the Department and the Institutions remained essentially intact and the Board of Pardons was attached to the Department for "administrative purposes only". In addition to the Department which is all encompassing there are three major divisions in the Central Office plus the Board of Pardons. Only the principal goal(s) of the Department and the divisions of the Central Office will be described. The rest will be treated in individual reports.

DEPARTMENT OF INSTITUTIONS

The principal purpose of the Department is to provide maximum service, care, and rehabilitation effort to institutionalized Montana residents.

CENTRAL OFFICE:

To coordinate at maximum efficiency all rehabilitative processes in the institutions. To maintain a reimbursement program designed to collect costs of resident care from whatever available resources. To provide needed services in the area of administration, policy, fiscal control, personnel policy and control and dietary services. To assure that all available resources are utilized in such a manner to provide greatest service at highest efficiency. To operate an aftercare service to provide for the welfare of the released resident in the community.

MAJOR ACCOMPLISHMENTS

- ::: Began collections under Title XIX - Medicaid which is a joint venture between the Department of Institutions, the Department of Social and Rehabilitation Services and the Federal Government.
- ::: Reassigned allocated construction funds to provide for remodeling of fire safety conditions at Center for the Aged to comply with Medicaid and Medicare requirements rendering the Center eligible for reimbursement of care and maintenance of residents.
- ::: Placement of one-hundred and sixteen residents from Boulder River School and Hospital in community programs has been accomplished during fiscal year 1972.
- ::: Department reorganized on December 17, 1971. The Department of Institutions was probably one of the less complex reorganizations under the program as it was essentially intact prior to implementation. The only significant change being the bringing of the Board of Pardons under Department auspices for administrative purposes.
- ::: Negotiated with eleven Unions or Associations and completed sixteen contracts achieving a good deal of standardization and helpful revision. Reduced the number of negotiating sessions and contract documents through consolidation and standardization.
- ::: Began using Swan River Youth Forest Camp for rehabilitation of felons up to and including age twenty-five.
- ::: The development of a volunteer program to assist in supervision of persons released to community programs.

MAJOR ACCOMPLISHMENTS

- ::: Reduced food cost by .02¢ per meal, still retaining an improving nutritional program.
- ::: Entered into contract with S R S for Title 45 funds. This contract made possible matching \$50,000 of Boulder funds with \$150,000 of Federal funds to enable the development of expanded community service program.
- ::: Dedicated six new cottages at Boulder River School and Hospital costing 1.6 million of which 42% or \$668,816 was Federal funded.
- ::: Completed construction and dedicated hospital annex building at Warm Springs State Hospital.
- ::: Completed construction and dedicated new vocational center at Pine Hills School.
- ::: Overcame a \$120,000 deficit at Warm Springs through the initiation of some stringent management controls.
- ::: Reduced institution food inventories and made other advances in establishing better procurement and issuing procedures.
- ::: Wrote an employee handbook which will be completed and distributed this calendar year.
- ::: Established enterprise accounting system for ranch operations at the Prison and at Pine Hills School.

PROGRAM DESCRIPTIONS

PROGRAM: BOARD OF INSTITUTIONS

Note: Effective December 17, 1971 the Board was reorganized under Executive Reorganization and became a Quasi-Judicial Board only; no longer having a direct administrative function.

GOAL

Provide advisory counsel to the Director of the Department of Institutions and to sit as an impartial quasi-judicial body in matters of grievance.

OBJECTIVES

Provide expertise and guidance to the Director in an advisory capacity; assist in obtaining sufficient funding to support institution programs; represent the Department in the community and to bring to the Department the concerns and unmet needs of the community; engage in action on broad social issues and problems affecting actual and potential residents of institutions.

ACHIEVEMENTS

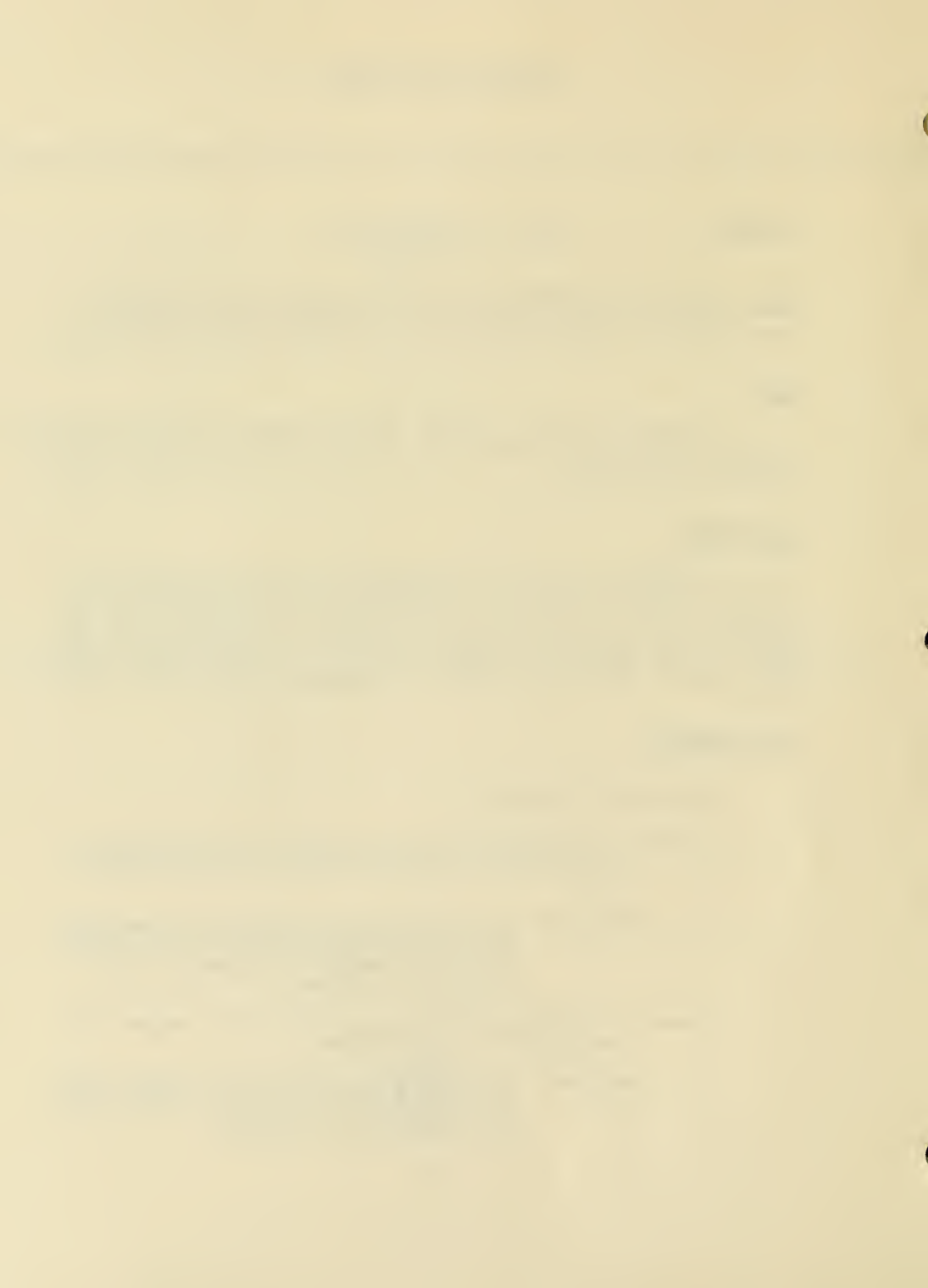
::: Grievance Procedures:

Task: To develop grievance procedures for employees not presently covered under an employee agreement.

Achieved: Grievance procedures for all employees were drafted and adopted by the Board to be used where a procedure is not presently existent.

Task: To develop grievance procedure for inmates and residents of institutions.

Achieved: A grievance procedure for inmates and other institution residents was drafted and adopted by the Board.



PROGRAM DESCRIPTIONS

::: Refuse Disposal:

Task: To enter into a refuse disposal agreement
with Deer Lodge County.

Achieved: An agreement was mutually agreed
upon and adopted by the Board in
behalf of involved institutions.

PERFORMANCE INDICATORS

.....FISCAL YEAR.....

1969-70 1970-71 1971-72

COST

\$ 5,893 \$ 3,582 \$ 3,706

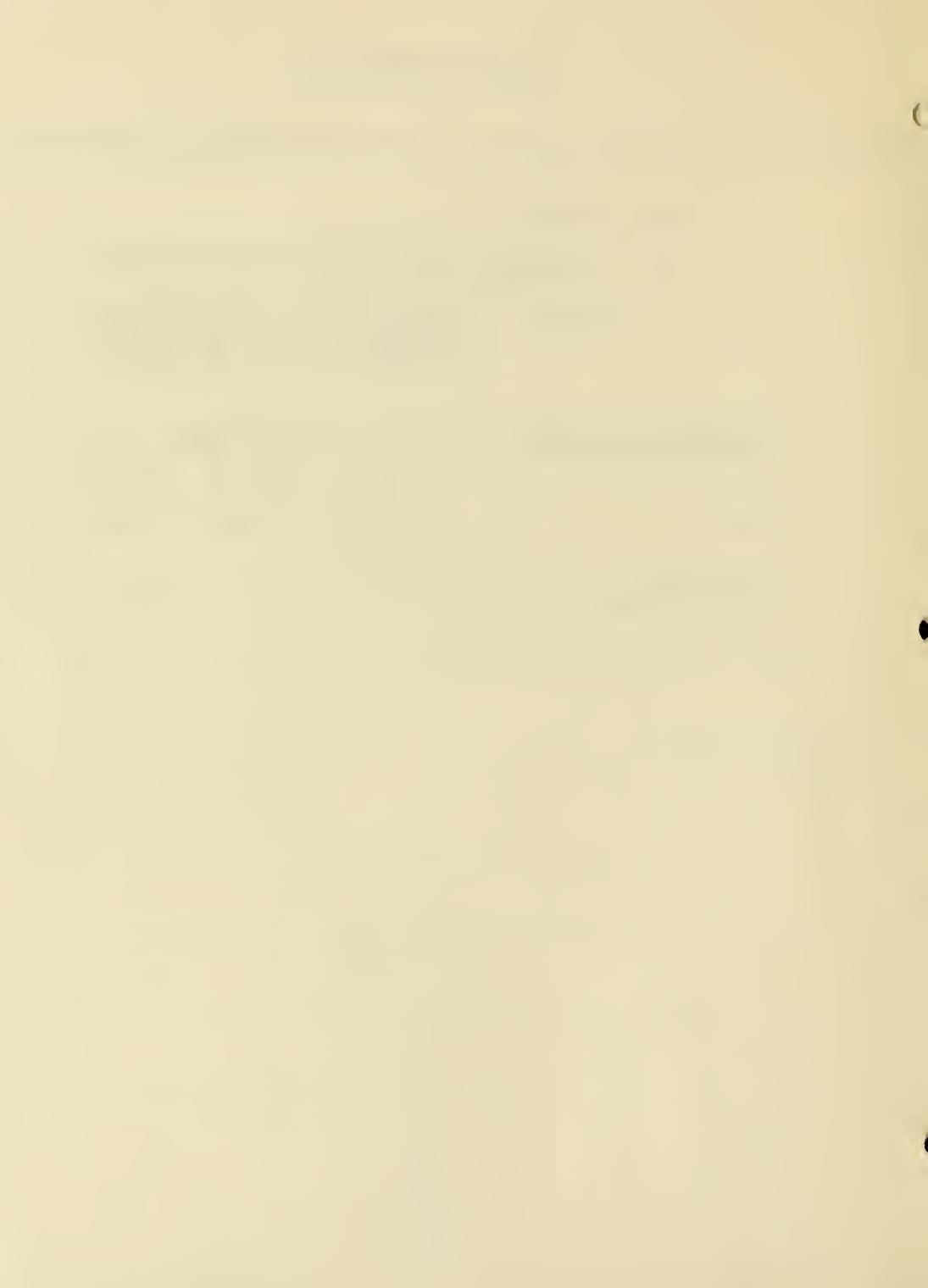
Performance:

Meetings Held

9

6

5



PROGRAM DESCRIPTIONS

PROGRAM:

CENTRALIZED SERVICES DIVISION

GOAL

To coordinate effort and provide policy to institutions in the areas of administration, personnel, fiscal management and dietary services.

OBJECTIVES

1. To establish policies that will coordinate and utilize money and personnel in the most efficient manner.
2. To provide ongoing assistance to the establishment of better fiscal and management practices.
3. To coordinate the resources of all institutions and thereby increase utilization and reduce needless expenditures.
4. To act as a liason between institutions in the provision of better treatment through such factors as referral and transfer.
5. To coordinate planning both short and long range for construction of facility and purchase of capital equipment.
6. To initiate better planning and management practices at the Prison ranch in order to increase production of meat and other commodities.
7. To obtain funds from the 42nd Legislature to construct a badly needed new Prison facility.
8. To bring into compliance with Federal Standards those institutions where Medicare and Medicaid payments can be received for resident care thereby increasing General Fund revenue.



PROGRAM DESCRIPTIONS

9. To develop and present to the Legislature realistic budgets that are within the states funding capability and yet representative of institutional needs.
10. To reduce food costs in institutions by 1) closer production control 2) control of inventory level 3) improved purchasing practice and through 4) obtaining better menu control and more suitable menus.
11. Improve efficiency of food service operation through better management practices and an on-going in-service training program.
12. To expand use of the statewide accounting system in institutions to maximum efficiency.

ACHIEVEMENTS

::: Union Contracts:

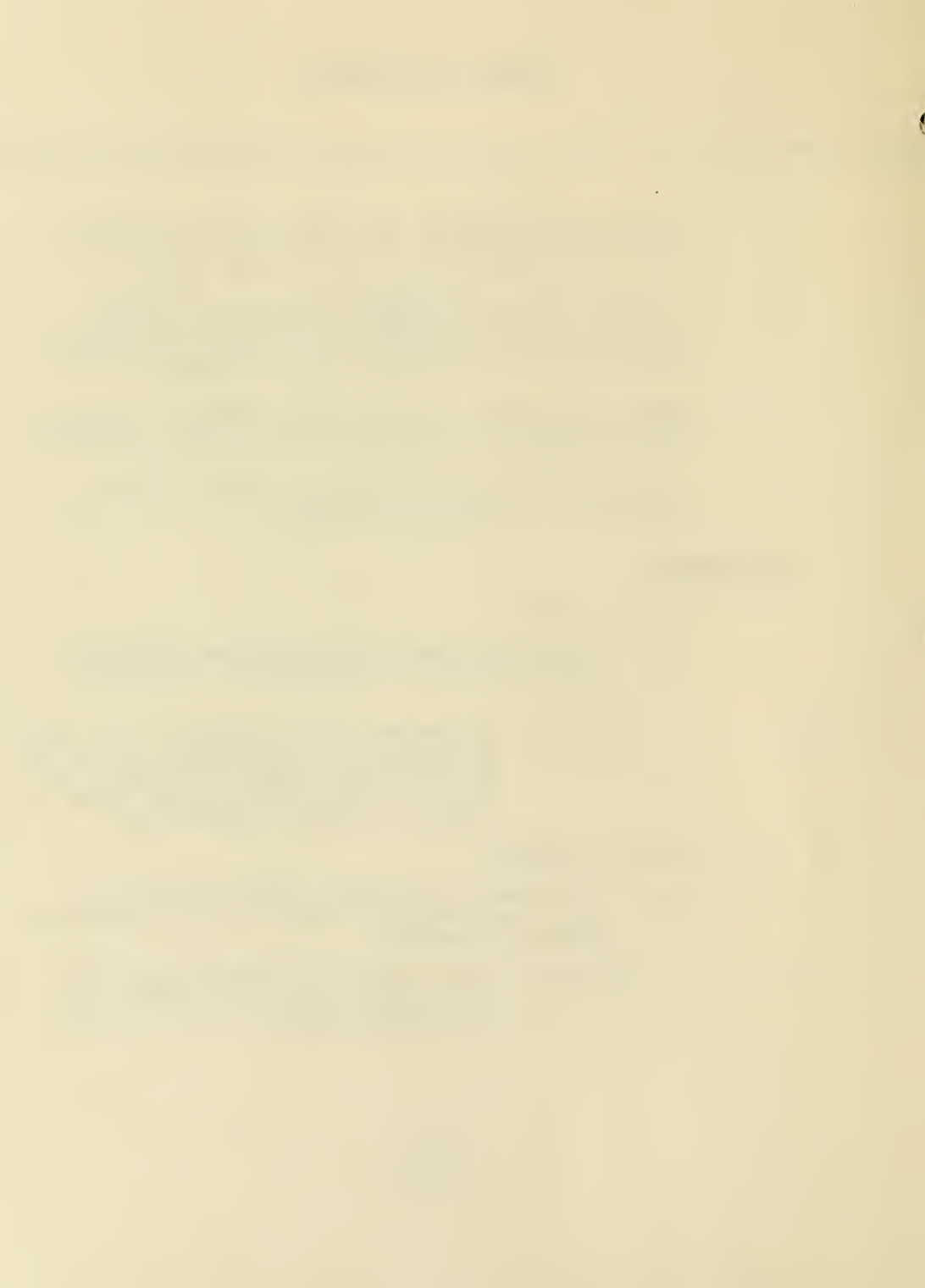
Task: To negotiate twenty-three separate contracts and if possible to standardize and consolidate them.

Achieved: All contracts were negotiated. All were standardized in some measure. Consolidated twenty-three into sixteen basic contracts having negotiated with eleven different Unions or Associations.

::: Employee Handbook:

Task: To develop an employee handbook summarizing basic statutory provisions and policy affecting personnel management.

Achieved: Wrote an employee handbook which will be completed, printed and distributed this calendar year.



PROGRAM DESCRIPTIONS

::: Enterprise Accounting at Prison & Pine Hills Ranches:

Task: To establish an accounting system at the ranches that will provide ranch program cost data enabling determination of production as compared to cost.

Achieved: Systems were developed at Pine Hills and the Prison and a reporting method set up which have made possible analysis of the operations.

::: Warm Springs Commissary:

Task: To place the Warm Springs Commissary on a self-sustaining basis.

Achieved: Segregated the commissary at Warm Springs out of the budget as a separate program and directed changes to place it on a self-sustaining basis.

::: Food Costs and Nutrition at Institutions:

Task: To reduce food costs in institutions and improve nutritional balance.

Achieved: Reduced food costs by .02¢ per meal, still retaining an improving nutritional program.

::: Food Service In-Service Training:

Task: To provide training for improvement of food service operation.

Achieved: Established in-service training program for food service workers which will continue on an on-going basis. This program has resulted in better appearing meals, better special diet care, improved sanitation practices and better meal planning through production methodology.

PROGRAM DESCRIPTIONS

::: Reduction of Food Inventories:

Task: To reduce food inventories in institutions designed to eliminate spoilage and provide better controls.

Achieved: Inventory levels were substantially reduced, however, could be reduced yet further if deliveries could be expedited.

::: Warm Springs Personal Services Deficit:

Task: To initiate procedures to overcome a \$120,000 deficit.

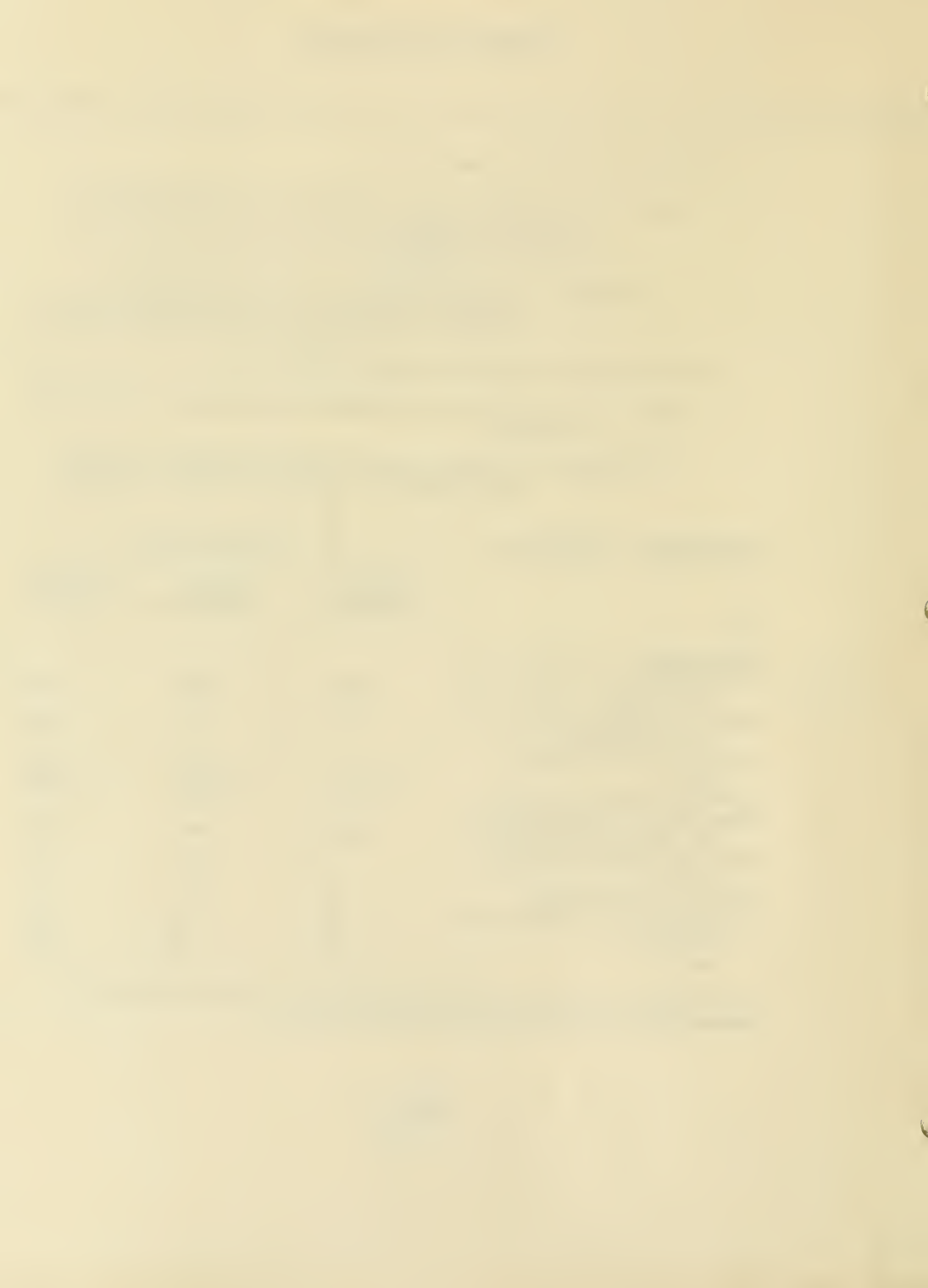
Achieved: Through use of rather stringent management controls the deficit was overcome.

PERFORMANCE INDICATORS

.....FISCAL YEAR.....

| | 1969-70 | 1970-71 | 1971-72 |
|--|------------|------------|------------|
| Cost | \$ 116,641 | \$ 130,396 | \$ 125,625 |
| <u>Performance:</u> | | | |
| Requisitions reviewed and processed | 2398 | 2406 | 2573 |
| Budget Amendment Approved and processed | 57 | 87 | 124 |
| Cost per institutional meal | .31 | .285 | .281* |
| Average Meals per month | 284,218 | 277,788 | 311,699 |
| Average daily population in state institutions | 3294 | 3002 | 2912 |
| Employee classification studies | 36 | 47 | 37 |
| Placement Interviews | 81 | 118 | 95 |
| Institutional Visitations | | | |
| Director | 61 | 74 | 73 |
| Staff | 233 | 285 | 234 |

*This figure includes the application of market prices to commodities produced by the Prison ranch.



PROGRAM DESCRIPTIONS

PROGRAM: AFTERCARE DIVISION

GOAL

Reduce the recidivism rate of juvenile delinquents. Provide maximum community programs for aftercare placement of dependent and neglected children, the mentally retarded, and the mentally ill.

OBJECTIVES

Supervise, counsel and make living arrangements for individuals released from state juvenile institutions, the Boulder River School and Hospital and selected cases from the Warm Springs State Hospital.

ACHIEVEMENTS

Placement of one-hundred and sixteen residents from Boulder River School and Hospital in community programs has been accomplished during fiscal year 1972. We originally projected the placement of one-hundred Boulder residents.

The development of a volunteer program to assist in supervision of persons released to community programs. Large community caseloads necessitate the development and utilization of other supervisory resource. Projections indicated a need for fifteen (15) volunteers. We actually trained nineteen (19) who proved to be well motivated and who offered invaluable assistance. One of our Volunteers received an award from Governor Anderson for one-hundred seventy-five (175) hours of service.

PROGRAM DESCRIPTIONS

| <u>PERFORMANCE INDICATORS</u> <u>FACTOR</u> | <u>.....FISCAL YEAR.....</u> | | |
|---|------------------------------|----------------|----------------|
| | <u>1969-70</u> | <u>1970-71</u> | <u>1971-72</u> |
| Total Individuals in Program | 737 | 1,053 | 1,118 |
| Percent of violators returned to the Institutions | 14.3% | 13.2% | 9.3% |
| Ratio of Average daily individual in program to fulltime counselors | 42:1 | 55:1 | 71:1 |
| Supervisory cost per youth | \$.48 | \$.38 | \$.39 |
| Daily per capita cost | | | |
| Foster Home | \$ 5.52 | \$ 3.58 | \$ 4.00 |
| Group Home | \$ 7.72 | \$ 8.08 | \$ 8.13 |

PROGRAM DESCRIPTIONS

PROGRAM: REIMBURSEMENT

GOAL

Research and develop new sources of Reimbursement for care and maintenance in the institution, including, third party payors, estates, Social Security Benefits, Veterans Benefits, Private Pension Plans, Railroad Retirement, Old Age Survivors Benefits, Disability Insurance and Federal Entitlements. Improve system of collecting established revenue sources. Organize system of channeling all care and maintenance funds through the Reimbursement Center into the General Fund.

OBJECTIVES

1. Develop organizational chart and procedures manuals for each office.
2. Realign and train personnel to generate the most positive results within limited time and appropriated expense funds.
3. Promote cooperation and coordination of interrelated programs and agencies, including, Medicare, Medicaid, Veterans Administration, Social Security Administration, Social and Rehabilitation Services, Public Health Service, in order to facilitate federal entitlements with greater speed and accuracy.
4. Upgrade and systematize all of the operations of reimbursement including, procedures of investigation, cost reporting, charge and fee methods; standardized collection methods and field operations.
5. Program Burroughs F1100 machine on hand, to expedite billing for Warm Springs State Hospital and Medicaid accounts.

PROGRAM DESCRIPTIONS

ACHIEVEMENTS

Began collections under Title XIX - Medicaid which is a joint venture between the Department of Institutions, the Department of Social and Rehabilitation Services and the Federal Government. Due to changes in Federal Requirements, lack of cost system in state Government, and insufficient appropriations to make the facilities licensable and certified, the Medicaid Program has not been fully implemented, however, claims retroactive to May, 1971 are in process and the payments through our intermediary should be brought up to date and ongoing in the coming year.

PERFORMANCE INDICATORS

| |FISCAL YEAR..... | | |
|----------------------|-----------------------|----------------|----------------|
| | <u>1969-70</u> | <u>1970-71</u> | <u>1971-72</u> |
| Reimbursement | \$ 1,037,035 | \$1,162,199 | \$1,184,218 |
| Cost | 67,673 | 69,309 | 99,714 |
| Field Investigations | 578 | 472 | 509 |

PROGRAM COST SUMMARY

| PROGRAM | FISCAL YEAR COSTS | | Increase (Decrease) |
|---|-------------------|-------------------|------------------------|
| | <u>1971-72</u> | <u>1970-71</u> | |
| <u>Central Office</u> <u>Operations</u> \$ | 125,625 | \$ 130,396 | \$ (4,771) |
| <u>Reimbursement</u> | 99,714 | 69,304 | 30,405 |
| <u>Aftercare</u> | 241,411 | 214,642 | 26,769 |
| <u>Board</u> | 3,706 | 3,582 | 124 |
| TOTAL | \$ <u>470,456</u> | \$ <u>417,929</u> | \$ <u>52,527</u> |

PROGRAM COST DETAIL

| | <u>FY-1972 Total</u> | <u>Personal Services</u> | <u>Operating Expenses</u> | <u>Capital</u> | <u>Grants & Benefits</u> |
|-------------------|--------------------------|------------------------------|-------------------------------|-----------------|----------------------------------|
| Central Office | | | | | |
| <u>Operations</u> | \$125,625 | \$ 89,358 | \$ 35,484 | \$ 783 | \$ -0- |
| Reimbursement | 99,714 | 77,971 | 17,697 | 4,046 | -0- |
| Aftercare | 241,411 | 110,550 | 119,718 | 1,162 | 9,981 |
| Board | 3,706 | -0- | 3,706 | -0- | -0- |
| *TOTALS | <u>\$ 470,456</u> | <u>\$ 277,879</u> | <u>\$ 176,605</u> | <u>\$ 5,991</u> | <u>\$ 9,981</u> |

* Totals do not include the following:

\$138,150 - Emergency Employment Act monies administered by this office but expended in the various institutions.

\$31,400 - Youth Guidance Home expenditures which monies were granted to the Aftercare Division by the Federal Government to set up Youth Guidance Homes in the community. These monies were administered by this office but expended in the community.

Note: \$489 was received from Governor's Crime Control for dictating machine. This amount was included in Capital Equipment - Aftercare Division.

SOURCE OF FUNDING

| | |
|--------------|-------------------------|
| GENERAL FUND | \$469,967 |
| Other | <u>489</u> |
| TOTAL | <u><u>\$470,456</u></u> |

